

Message Text

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ACTION AF-08

INFO OCT-01 ISO-00 EUR-12 ERDA-05 AID-05 CEA-01
CIAE-00 COME-00 DODE-00 EB-08 FPC-01 H-01 INR-07
INT-05 L-03 NSAE-00 NSC-05 OMB-01 PM-04 USIA-06
OES-06 SP-02 SS-15 STR-04 TRSE-00 ACDA-07 FEA-01
/108 W

-----260324Z 101942 /75

R 241000Z MAR 77

FM AMCONSUL DOUALA
TO AMEMBASSY KINSHASA
SECSTATE WASHDC 1389
INFO AMEMBASSY YAOUNDE
AMEMBASSY BONN

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E.O. 11652: N/A

TAGS: EINV

SUBJECT: MOBIL-TEXACO COMPENSATION CLAIMS AGAINST HYDRO-CONGO

1. SUMMARY: MEETINGS BETWEEN MOBIL, TEXACO AND HYDRO-CONGO YIELDED VERY LITTLE BESIDES A FIRST CONTACT AND BETTER IMPRESSION OF TIME FRAME WITHIN WHICH NEGOTIATIONS MAY PROCEED. END SUMMARY.

2. TEXACO ATTEMPTED TO SEND BELGIAN STAFF MEMBER TO BRAZZAVILLE BUT HE WAS REFUSED PERMISSION TO CROSS RIVER BY GOVERNMENT OF ZAIRE. ZAIRIAN EMPLOYEE WAS THEN SENT MARCH 14 TO BRAZZAVILLE WITH LETTER (REFTEL) WHICH WAS SIGNED FOR BY MR. BONGOUANDE, COMMISSAIRE POLITIQUE HYDRO-CONGO. THE MESSENGER WAS INFORMED BY BONGOUANDE THAT HYDRO-CONGO IS BUSY BALANCING ITS BOOKS. THE WORK WILL NOT BE COMPLETED UNTIL MID-APRIL AFTER WHICH BOOKS MUST BE REVIEWED BY GOVERNMENT COMMITTEE. BONGOUANDE INDICATED THAT NOT MUCH PROGRESS SHOULD BE EXPECTED BEFORE JUNE OR JULY.

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3. IN SEPARATE EFFORT, MOBIL DISPATCHED THEIR CHIEF ACCOUNTANT, MR DELENNE, WHO ARRIVED BRAZZAVILLE MARCH 7. HIS FIRST ROUND OF MEETING'S BEGAN MARCH 8 WITH GENERAL MANAGER OF HYDRO-CONGO, MR. BONGOU, AND THE ACCOUNTANT IN CHARGE OF COMPENSATION CLAIMS, MR. AUTSOA. THE MEETING WITH BONGOU LASTED ONE HOUR, THREE-QUARTERS OF WHICH WAS SPENT BY BONGOU ON THE

TELEPHONE CONDUCTING PERSONAL AFFAIRS. IN DELENNE'S MEETING WITH AUTSOA THE ONLY INFORMATION GAINED WAS ADMISSION FROM CONGOLESE THAT ONLY TEXACO AND MOBIL HAD PRESENTED WELL-DOCUMENTED CLAIMS.

4. DELENNE MET WITH AUTSOA AGAIN ON MARCH 9. AUTSOA CONFIRMED THAT HYDRO-CONGO IS BUSY WITH BALANCE SHEETS BUT NOTED THEY WERE WILLING TO BEGIN DISCUSSIONS WITH MOBIL AT ANY TIME. HE INDICATED THAT WORK ON AUDIT WOULD BE COMPLETED ABOUT APRIL 18. SOME OF THE ITEMS THAT AUTSOA SAID HYDRO-CONGO WANTED FROM MOBIL IN CONNECTION WITH THE NEGOTIATIONS WERE: COPIES OF ALL RECEIPTS, LOANS, BANK STATEMENTS, ALL TAX PAYMENTS MADE BY MOBIL TO THE CONGO IN ADVANCE, AND ALL CONTRACTS SIGNED BY MOBIL (CONTRACTS IN CONGO REQUIRE A SUBSTANTIAL TAX PAYMENT IN ORDER TO LEGALIZE THEM; REIMBURSEMENT OF THESE PAYMENTS IS ONE OF THE MATTERS CLAIMED BY MOBIL). HE ALSO LISTED A NUMBER OF ITEMS HE WANTED REMOVED FROM THE COMPENSATION CLAIM, INCLUDING INSURANCE AND DIVIDEND PAYMENTS, INVESTMENTS BY MOBIL, AND ALL BILLS OWED BY MOBIL CONGO TO MOBIL INTERNATIONAL (THESE BILLS ARE CONSIDERED BY HYDRO-CONGO TO BE STRICTLY AN INTERNAL MATTER).

5. MOBIL AND TEXACO FELT THAT LITTLE OF SUBSTANCE HAD COME OF THEIR TALKS BUT THAT AN IMPORTANT CONTACT HAD BEEN MADE. TEXACO REP SUDER COMMENTED THAT HE DOES NOT KNOW HOW MANY DOCUMENTS DESIRED BY HYDRO-CONGO CAN BE LOCATED. DOUBTLESS SOME WERE LEFT BEHIND WHEN COMPANY OFFICES CLOSED IN LIMITED OFFICIAL USE

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BRAZZAVILLE.
HALL

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NNN

Message Attributes

Automatic Decaptioning: X
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Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: CLAIMS, COMPENSATION, PETROLEUM
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Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
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Disposition Remarks:
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